

Last Friday the Department of Labor announced that the nation's unemployment rate for September was 9.6% after another 95,000 jobs were lost during the month. This latest set of bad employment news further demonstrates the severity of our economic downturn and the pain that nearly fifteen million Americans are going through as they struggle to find work to pay their bills, provide for their family, and keep a roof over their head.

From his first days in the Oval Office, President Obama urged members of Congress to support a "recovery plan" centered on the theory that, in severe downturns, the government must step in to boost "demand" in the economy. During debate on the proposal, as a top selling point, one of the President's top economic advisors promised that the unemployment rate would remain below 8 percent if Congress passed the \$862 billion stimulus spending plan. The Democrat-controlled Congress subsequently passed the plan into law in February 2009.

Unfortunately, this September jobs report demonstrates that the stimulus has not created the jobs promised by the Obama Administration. In fact, our economy now has 7.3 million fewer jobs than originally forecast. Further, September was the 17th consecutive month that the national unemployment rate has remained above 9 percent. In our area, every county in California's Second Congressional District region has seen a significant increase in unemployment since the legislation became law.

I have talked with Northern Californians across our region and they are fed up with this Administration's constant efforts to shift blame and unsubstantiated assertions that the economy would be even worse-off if the stimulus hadn't passed. Americans want strong job growth, not a lowering bar for success and excuses for continued job losses. They're also deeply concerned that the President's stimulus plan has severely worsened the [debt crisis](#) in our nation—with little to show for it.

The failure of the stimulus results from a failure to understand the simple truth that small businesses and entrepreneurs create jobs, not the federal government. To foster real economic growth and job creation, Congress must immediately pass legislation to block the nearly \$4 trillion tax increase on every family and small business that is scheduled to take effect on January 1, 2011. This would provide our nation's job creators with the certainty that they won't have to send even more money back to Washington in just a few months. Raising taxes, on the other hand, would only worsen the already poor jobs market.

Additionally, Congress should immediately [repeal the recently passed health care law and](#)

[replace it](#) with commonsense solutions to lower health care costs. Sadly, small business leaders in Northern California are already sharing with me that they are cancelling their plans to expand their businesses and create new jobs because of the costly requirements of ObamaCare. Further, Congress needs to empower small businesses and entrepreneurs by simplifying our tax system and [passing pending trade agreements](#) to allow U.S. producers to compete on a level playing field in global markets.

The North State must be in a position to share in a nationwide economic recovery. Again, I believe that economic progress for our region will come not from bureaucrats in Washington or Sacramento, but from the creativity and hard work of our own free people. Instead of more handouts, government needs to give a "hand up" to those in our communities who want to pursue their own unique vision of the American dream. Remarkably, the federal tax code currently provides incentives for investment and hiring in parts of Boston, New York, and Los Angeles, but not in rural Northern California communities. I recently introduced the bipartisan [Rural Microbusiness Investment Credit Act](#), which would provide a federal investment tax credit for entrepreneurs who start businesses in rural areas with high rates of poverty and unemployment. I will also continue to advocate for reform of [imbalanced environmental regulations](#) that are standing in the way of local job creation.

The damage of the financial crisis was severe, but I believe our nation's economy has the potential to surge ahead and reach new heights of prosperity. The evidence, however, clearly demonstrates that more government spending and higher taxes are not the solution – rather, they are a deadweight pulling down our economy. I firmly believe it is high time that Washington gets out of the way and unleashes the ingenuity of the American entrepreneur and small business leader—the true engine for job creation and strong economic growth in our nation